

**VERMONT ECONOMIC PROGRESS COUNCIL**  
**MEETING MINUTES**  
**JANUARY 27, 2011**  
**NATIONAL LIFE BUILDING, 6<sup>TH</sup> FLOOR**  
**MONTPELIER, VT**  
**9:30 A.M. TO 12:30 P.M.**

**Members Present:** Betsy Gentile; Chris Keyser; Mary Lintermann; Karen Marshall  
Nancy Port; Carl Rosenquist; Mark Young; Warren Kitzmiller

**Members Absent:** Stephan Morse, Rachel Smith

**Staff Present:** Fred Kenney; Alice Cloud

**Others Present:** Gene Lyman, Vermont Manager, Bariatrix, Rod Egger, President,  
Bariatrix Nutrition Corp; Tim Smith, ED, FCIDC; Jeff Carr, EPRI.

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9:33 a.m.: Karen Marshall called the meeting to order. She welcomed Warren Kitzmiller, the newest member of the Council appointed by the Speaker of the House.

Karen informed everyone that she is leaving the VEPC board to join the Administration to head up Connect VT. She described some of her new position and stated her pleasure of being on the VEPC board working with her co-members. Nancy Port, on behalf of the board, thanked Karen for her years of service with the board.

9:37 a.m.: Fred Kenney introduced Pat Moulton Powden, Deputy Secretary of Commerce and Community Development. She briefly discussed the new administration's goals and the "team" approach of the ACCD roles and their departments.

9:42 a.m.: Fred Kenney introduced Alice Cloud as the new Executive Assistant to work with the board.

9:43 a.m.: Chris Keyser took over the meeting as acting chair.

Chris asked if there was any public comment. Hearing none, Chris requested Council approval of the December 16, 2010 meeting minutes as presented.

9:43 a.m.: Mark Young motioned to approve the December 16, 2010 meeting minutes. Nancy Port seconded and the motion carried 8-0-0.

9:43 a.m.: Betsy Gentile motioned to enter into Executive Session and Mark Young seconded. The motion carried 8-0-0.

10:15 a.m.: Karen Marshall departed the meeting.

10:33 a.m.: Lawrence Miller, Secretary of Commerce and Community Development, joined the meeting.

10:43 a.m.: Betsy Gentile motioned to exit Executive Session and Carl Rosenquist seconded. The motion carried 7-0-0.

10:43 a.m.: **Bariatric Nutritional Corp.**

Carl Rosenquist made a motion to approve an Initial Application from Bariatric Nutritional Corp, giving initial authorization of maximum incentives of up to \$137,600, with an estimated incentive of \$125,897, based on application data for activity to commence in calendar year 2011, citing a determination that the applicant met the But For and program guidelines and that the project will generate a minimum net revenue benefit of \$98,683, subject to submittal and consideration of a Final Application before December 31, 2011. Betsy Gentile seconded and the motion carried 7-0-0.

10:51 a.m.: Lawrence Miller, previously known to board members, thanked the board for their continued service. He discussed some potential legislative actions and timeframes concerning VEGI. Also asked the board for input on any important issues they see arising.

11:06 a.m.: Lawrence Miller departed the meeting.

### **EATI Reviews**

11:12 a.m.: Carl Rosenquist made a motion recommending to the Department of Taxes that, due to failure to file Annual Activity reports, in accordance with 32 VSA 6930a(m), all credits be rescinded for both:

#### **Flex-A-Seal, Inc. EATI#: 05-05**

**Tax Year Under Review: FY ending December 31, 2007, 2008, and 2009**

**Authorized: September 8, 2005 for September 1, 2005 – December 31, 2009**

**\$163,437 Payroll and Capex Tax Credits**

#### **Biocardel Vermont, LLC EATI#: 06-11**

**Tax Year Under Review: All**

**Authorized: September 7, 2006 for September 1, 2006 – December 31, 2010**

**\$534,522 Payroll and Capex Tax Credits**

Mark Young seconded and the motion carried 7-0-0.

11:13 a.m.: Nancy Port made a motion to recommend to the Department of Taxes that due to a substantial reduction in employment, in accordance with 32 VSA 5930h, a recapture of 25% the credits earned in 2004 and applied in 2004 and 2005 be recaptured and all unearned and unapplied credits be disallowed plus notify the Department of Taxes/PVR and the Town of Randolph that the property tax stabilization agreement is terminated as of April 1, 2011 for:

#### **Dubois/King, Inc. EATI#: 04-02**

**Authorized: January 22, 2004 for November 1, 2003- October 31, 2008**

**\$36,300 Capex Tax Credits and Property Tax Stabilization: April 1, 2004 – March 31, 2014**

Betsy Gentile seconded and the motion carried 6-0-1 with Warren Kitzmiller abstaining.

11:15 a.m.: Nancy Port motioned to adjourn the meeting, Mark Young seconded and the motion carried 7-0-0.

*Minutes taken by Alice Cloud: January 27, 2011*

*Revised by Fred Kenney: January 28, 2011*

*Approved by the Board: February 24, 2011*